



# ENERGY ASSURANCE DAILY

Tuesday Evening, February 05, 2008

## ***Electricity***

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### **Luminant's 793 MW Martin Lake Coal-fired Unit 2 Shut in Texas February 5**

According to a filing with state regulators, the unit is shut and will be placed in start-up mode when a boiler feed pump vibration problem is resolved.

<http://www2.tceq.state.tx.us/eer/main/index.cfm?fuseaction=getDetails&target=103266>

### **Update: Exelon's 1,093 MW Peach Bottom Nuke Unit 3 in Pennsylvania Reduced to 37 Percent by February 5**

The Nuclear Regulatory Commission reported that on the morning of February 4 the unit was operating at 69 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Update: FPL's 1,155 MW Seabrook Nuke Unit 1 in New Hampshire Ramped Up to 76 Percent by February 5**

The Nuclear Regulatory Commission reported that on the morning of February 4 the unit was operating at 50 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Update: Indiana-Michigan Power's 1,000 MW D.C. Cook Nuke Unit 1 in Michigan Ramped Up to 17 Percent by February 5**

The Nuclear Regulatory Commission reported that on the morning of February 4 the unit was operating at 2 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Update: DTE's 1,089 MW Fermi Nuke Unit 2 in Michigan Ramped Up to 85 Percent by February 5**

The Nuclear Regulatory Commission reported that on the morning of February 4 the unit was operating at 35 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Update: FPL's 510 MW Point Beach Nuke Unit 1 in Wisconsin Ramped Up to 30 Percent by February 5**

The Nuclear Regulatory Commission reported that on the morning of February 4 the unit was operating at 1 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

### **Luminant's 1,150 MW Comanche Peak Nuke Unit 1 in Texas at Full Power by February 5**

The Nuclear Regulatory Commission reported that on the morning of February 4 the unit was operating at 72 percent.

Information derived from the NRC Power Reactor Status Reports:

<http://www.nrc.gov/reading-rm/doc-collections/event-status/reactor-status/2008/>

## **Sycamore Cogeneration's 382 MW Sycamore Cogeneration Gas-fired Unit in California Curtailed February 4**

According to the California Independent System Operator, the unit experienced an unplanned curtailment of 142 MW on February 4.

<http://www.caiso.com/unitstatus/data/unitstatus200802041515.html>

## **Copper Wire Theft Leaves 3,000 Clay Electric Cooperative Customers without Power in Florida**

During the week of January 29 – February 3, hundreds of feet of copper wire was stolen from a Clay Electric substation leaving over 3,000 customers without electricity for several hours.

<http://www.firstcoastnews.com/news/local/news-article.aspx?storyid=101581>

## **PSEG's 1,096 MW Salem Nuke Unit 1 in New Jersey to Face Additional NRC Scrutiny**

Following the failure of an emergency diesel generator at the New Jersey plant, the NRC dropped the plant's safety rating from "green" to "yellow", resulting in an increased level of NRC oversight.

Bloomberg News 12:47 February 5, 2008

## ***Petroleum***

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### **Coking Unit Malfunction Reported at Shell's 340,000 b/d Deer Park Refinery in Texas February 4**

According to a filing with state regulators, Shell reduced feed to a coking unit after a malfunction was reported. The coking wet gas compressor tripped on high amp due the antisurge valve opening.

<http://www2.tceq.state.tx.us/ee/main/index.cfm?fuseaction=getDetails&target=103284>

### **FCCU Shut at Valero's 135,000 b/d Wilmington Refinery in California February 5**

According to trade sources, the fluid catalytic cracking unit at the Wilmington refinery is shut for unplanned maintenance and will remain shut for five days.

Reuters, 12:32 February 5, 2008

### **Update: Valero's 170,000 b/d McKee Refinery in Texas Returns to Planned Rates February 5**

According to a company representative, the McKee refinery has returned to planned rates following a propane deasphalter returning to service for the first time since a flash fire one year ago.

Reuters 11:56 February 5, 2008

### **Update: Crude Unit and Coker Operating at Valero's 275,000 b/d Aruba Refinery February 5**

Following the January 25 vacuum tower fire which completely shut the Aruba refinery, several units including a crude unit and coker are back in operation.

Bloomberg News, 12:44 February 5, 2008

## ***Natural Gas***

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### **ONEOK Partners to Build NGL Gathering Pipeline Extension in Oklahoma**

ONEOK Partners, LP. announced that it will construct a 78 mile natural gas liquids (NGL) gathering pipeline to connect two natural gas processing plants, one currently under construction by Devon Energy and a Antero Resources Midstream Corp's recently completed plant. These two plants will have the ability to produce approximately 25,000 barrels per day of raw natural gas liquids. The project is scheduled for completion in the second quarter of 2008.

<http://ir.oneok.com/ReleaseDetail.cfm?ReleaseID=291850&ReleaseType=OKS%20Pipeline%20Projects>

### **FERC's Proposed 2009 Fiscal Budget Increase to Focus on Infrastructure, Security and Electric Reliability**

The Bush administration proposed on Monday a \$13 million budget increase for FERC in fiscal year 2009. FERC noted high priorities to include security concerns, particularly energy infrastructure, and coordination with Mexico and Canada on electricity reliability and other cross-border issues.

<http://www.platts.com/Natural%20Gas/News/6752066.xml?p=Natural%20Gas/News&sub=Natural%20Gas/>

### **President Bush Requests \$25 Billion Budget for Department of Energy in FY 2009, Significant Increases for Nuclear and Clean Coal Technologies**

Secretary of Energy Samuel Bodman announced on February 4 President Bush's \$25 billion budget request for FY 2009. The proposed budget is \$1.073 billion more than FY 2008. Among the President's priorities funded in the new budget is \$1.4 billion to promote nuclear power expansion. The budget requested \$648 million for research into clean coal technology and carbon sequestration and storage, the largest request for such technology in twenty-five years. The budget also increased funding significantly for the Advanced Energy Initiative and the American Competitiveness Initiative.

<http://www.energy.gov/news/5920.htm>

### **New Environmental Standards Created to Help Lenders Evaluate Risks Associated with Investments in Coal-fired Power Plants**

Citigroup Inc, JPMorgan Chase & Co, and Morgan Stanley have come together along with several large power companies, the Environmental Defense Fund and the Natural Resources Defense Council to create "The Carbon Principles." The aim of the principles is to make it more difficult to secure financing for plants that emit high levels of carbon dioxide. Although the principles do not preclude financing of projects, the aim is to encourage investment in cleaner and renewable technologies.

<http://money.cnn.com/news/newsfeeds/articles/newstex/AFX-0013-22769168.htm>

### **Alterra Bioenergy's Biodiesel Plant in Georgia Not in Operation Due to High Soybean Oil Prices**

Alterra Bioenergy has placed fuel production on hold at its newly constructed biodiesel refinery in Georgia due to record high soybean oil prices. Although the biorefinery is complete, the company is waiting to install equipment until prices moderate. Soybean oil prices have risen from 31 cents a pound in 2007 to 50 cents a pound in recent weeks.

[http://www.downstreamtoday.com/News/Articles/200802/Ga\\_Biodiesel\\_Plant\\_on\\_Hold\\_for\\_Now\\_8468.aspx](http://www.downstreamtoday.com/News/Articles/200802/Ga_Biodiesel_Plant_on_Hold_for_Now_8468.aspx)

### **Update: Fog and Fire Shut Houston Ship Channel, 67 Ships Halted**

According to a U.S. Coast Guard representative, dense fog has again closed the Houston Ship Channel.

Exacerbating the problem, was a fire at a Rhodia Inc. chemical plant which also closed a section of the waterway for approximately one hour early February 5. The fog halted movement of 67 ships; thirty-seven ships were waiting to enter the channel to the ports of Houston and Texas City, while 30 ships were waiting to exit the channel.

Reuters, 12:29 February 5, 2008

### **USDA Investigating Possible Link Between Ethanol Byproduct DDGS and E. Coli**

Two university studies suggest the use of distillers dried grain with solubles (DDGS) could be harming the U.S. cattle industry. The USDA is concerned because the Kansas State study showed that the bacterium E. coli 0157 was twice as likely to be found in cattle fed on DDGS. DDGS is a byproduct from the production of corn ethanol and is increasingly popular among livestock farmers because of the relatively high cost of corn. A 2006 Minnesota study concluded that the absence of distiller's grain for animal feed, would undermine the economics of corn ethanol production. The results of the study are scheduled to be released by the end of this year.

Ethanol & Biodiesel News: Page 5 February 5, 2008

## Energy Prices

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<b>U.S. Oil and Gas Prices</b> February 5, 2008			
	<b>Today</b>	<b>Week Ago</b>	<b>Year Ago</b>
<b>CRUDE OIL</b> <b>West Texas Intermediate U.S.</b> \$/Barrel	88.51	90.95	59.10
<b>NATURAL GAS</b> <b>Henry Hub</b> \$/Million Btu	7.56	7.87	9.14

Source: Reuters

## Energy Notes

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### **Alliant Reports 10,516 Customers Briefly without Power in Wisconsin February 5**

As of 12:30 PM February 5, 2008, <http://www.alliantenergy.com/docs/groups/public/documents/pub/p013332.hcsp>

### **Update: Southern Star Announces Extension of Binding Open Season for 100,000 Dth/d Perry Delivery Project in Oklahoma February 4**

[http://pro.energycentral.com/professional/news/gas/news\\_article.cfm?id=9686708](http://pro.energycentral.com/professional/news/gas/news_article.cfm?id=9686708)

### **Flaring Reported at BP's 265,000 b/d Carson Refinery in California February 4**

<http://www.oes.ca.gov/Operational/MALHaz.nsf/f1841a103c102734882563e200760c4a/6c8cd30b3b6b820c882573e50078724b?OpenDocument>

### **Update: DOE Secretary Bodman Says DOE Will Not Buy \$584 Million of Oil for SPR if Prices Are Too High**

Reuters, 13:57 February 4, 2008

### **Update: New Brunswick Government Says Second Nuclear Reactor is Viable but Additional Study Needed**

[http://pro.energycentral.com/professional/news/power/news\\_article.cfm?id=9688340](http://pro.energycentral.com/professional/news/power/news_article.cfm?id=9688340)

### **Bomb Threat Reported at Chevron's 330,000 b/d Pascagoula Refinery in Mississippi Ends in Arrest**

<http://www.sunherald.com/201/v-print/story/347370.html>

### **Iraq Cancels Crude Oil Sales Contracts with Austria's OMV and South Korea's SK Energy February 5**

<http://www.platts.com/Oil/News/8511298.xml?p=Oil/News&sub=Oil>

### **Update: Iraqi Kirkuk Oil Exports to Turkey's Ceyhan Port Remain Halted on Technical Fault February 5**

Reuters, 06:44 February 5, 2008

### **Algeria Plans to Increase Refining Capacity to 800,000 b/d with Addition of New Inland Refinery**

[http://www.downstreamtoday.com/News/Articles/200802/Algeria\\_Plans\\_Tender\\_for\\_New\\_Inland\\_8476.aspx](http://www.downstreamtoday.com/News/Articles/200802/Algeria_Plans_Tender_for_New_Inland_8476.aspx)

## Links

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***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated after 10:30 AM & 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

### **ENERGY ASSURANCE DAILY**

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<http://www.oe.netl.doe.gov/index.aspx>.

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